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5 More Untruths About Receivables Automation

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A couple of weeks ago I set the record straight on 5 Blatant Untruths About Receivables Automation. I then proceeded to destroy those unfortunate — and mistaken — notions. This week, if you're still not convinced, I've got five more.

MYTH #6: It's not worth the time and effort to do this now

"What if we don't change at all ... and something magical just happens?"

You know that it's better to be proactive now than reactive later on, and if you've been considering automating, it's probably because you've realized that your manual processes aren't efficient, aren't scalable, and are getting out of hand... fast. As your volumes increase, your

costs will rise proportionately.

Upgrading a system always takes a little time but if your automation provider offers a cloud-based solution, costs could be a lot less than you think and Return on Investment (ROI) often happens almost immediately. There's no software to install, no new hardware to purchase, and companies like Open Scan provide on-site training as part of their service.

MYTH #7: It wouldn't work with our diverse ERP environment.

ERPs have a stranglehold on IT investments. They're big, they're expensive, and they're downright resource-greedy.

Open Scan's software is unique in that it's ERP-agnostic and doesn't require full integration. This means that no matter how complex your ERP system is or how many consolidations it's gone through, Open Scan can handle it because it doesn't require full integration — it uses a simple file share approach that can be implemented with minimal IT resources. What this means is, if your ERP can ingest a data file, then Open Scan can work for you. It provides almost immediate ROI because it's a low impact, high yield solution.

And even if you're in the middle of an ERP-overhaul, Open

Scan can still slip right in. Download for free and read The Right Time to Implement Open Scan for more detailed information about how this works.

MYTH #8: We're already automated

All automation is not created equal.

Maybe you use a lockbox: your bank keys in the data from the images of the checks your customers send you and then it transmits a file to you in a format that your ERP can ingest. That's called "autopost" which implies that the data is keyed in and then *poof* everything automatically matches up. But we know that's the not exactly the case.

Maybe you think your 65 percent envelope matching (or "kill") rate is great even though the other 35 percent is kicked back to you to resolve as exceptions, taking up countless hours of your employees' time. That, my friends, is not automatic

What if I told you that you could obliterate lockbox fees and have all your cash app work done by 9 a.m. every morning? Read more about how Open Scan's Dynamic Matching engine can reduce your exception handling by 70 percent.

It's also worth a few moments of your time to read over Wesco's case study and learn how that company not just increased its match rate, but also managed to slash its lockbox costs.

MYTH Reason #9: We'll have to

let people go

Thinking about letting people go is never fun and it's certainly not legal if you're unionized. If you've decided to jump into automating your cash application process, chances are you won't need all those FTEs who've been doing all the manual work up to now. But that doesn't *necessarily* mean they'll be out of a job

Kurt Albright, Director of Credit and Collections at Uline, stated that when looking at the objective of paring down costs in his department, his company's goals were less about headcount reduction and more about the ability to accommodate robust growth,. In Uline's case, Kurt was able to remove some temporary employees from cash application and repurpose the remaining three FTEs.

Read more about how Uline streamlined its cash app processes and gained efficiency — all without reducing its headcount.

Reason #10: My employees don't handle change well

Change can be challenging, in any of its forms. Even if you have dreams and goals of transforming your business and its various processes, they're still only aspirations until you make them happen.

Connie Grivas, Client Success Director at Open Scan, offers some guidance on encouraging your employees to embrace change. Her advice is five-fold:

1. Share your vision.
2. Engage key stakeholders.
3. Empower people.
4. Nip resistance in the bud.
5. Be prepared to change the change.

"Those who are successful, prepare for the project success by creating buy-in early which speeds adoption and creates evangelists in the organization," Connie says. "Over time, this enforces the new process and keeps employees committed all the way to achieve a positive outcome."

Read more of Connie's advice on how to get buy-in from your organization when it's resisting change.

Visit Open Scan and request a demo to learn more about how you can get started automating your A/R processes now.

"To improve is to change; to be perfect is to change often." — Winston Churchill

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